



COMMUNITY DEVELOPMENT
DEPARTMENT

ENVIRONMENTAL PLANNING
SERVICES

**CITY OF SACRAMENTO
CALIFORNIA**

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Sent via US Mail and Email: recirculateddpeircomments@deltacouncil.ca.gov

Date: January 14, 2013

To: Ms. Cindy Messer
Delta Plan Program Manager
Delta Stewardship Council
980 Ninth Street, Suite 1500
Sacramento, CA 95814

Re: Recirculated Draft PEIR for the Delta Plan

Dear Ms. Messer:

The City of Sacramento hereby submits its comments regarding the Recirculated Draft Program Environmental Impact Report for the Delta Plan (Recirculated Draft PEIR).

Introduction

The City of Sacramento is pleased to provide comments on the Recirculated Draft PEIR. We commend the Delta Stewardship Council (DSC) in their difficult task to develop a plan and EIR that satisfies the co-equal goals laid out in the Sacramento-San Joaquin Delta Reform Act, and the engagement of the DSC Board members and staff in seeking comments from stakeholders to improve the plan. The City is interested in participating in a long-term solution to California's water challenges.

The DEIR's Analysis of Upstream Water Supply Impacts is Inadequate

The Recirculated Draft Program Environmental Impact Report (PEIR) provides the Council's CEQA analysis for the 2012 Final Draft Delta Plan, referred to in the Recirculated Draft PEIR as the "Revised Project." The Council's prior Draft PEIR provided CEQA analysis for six alternatives, including the 2011 Fifth Draft Delta Plan (referred to in the Recirculated Draft PEIR as the "Proposed Project"). The Recirculated Draft PEIR indicates that its sole purpose is to analyze the Revised Project as a new alternative, and that the prior Draft PEIR's analysis of the

Proposed Project and five other alternatives is not being revised. For this reason, the Recirculated Draft PEIR requests that comments on the Recirculated Draft PEIR be limited to the document's analysis of the Revised Project.

Some of the following comments are substantially similar to the City of Sacramento's February 1, 2012, comments on the prior Draft PEIR, not because the City desires to resubmit its prior comments, but because the analysis of the Revised Project in the Recirculated Draft PEIR raises many of the same issues as the analysis of the Proposed Project in the prior Draft PEIR.

The Recirculated Draft PEIR indicates that actions specified in the Revised Project are likely to result in a "more natural flow regime" in the Delta and Delta Tributaries, that this flow regime would provide increased Delta inflows from the Sacramento and San Joaquin rivers in the winter and spring months, and that water users in areas outside the Delta that use Delta water would respond to these changes by undertaking projects and actions to improve water supply reliability and improve water quality. However, the Recirculated Draft PEIR does not provide any meaningful analysis of the potential impacts that would result from redirecting water supplies for other areas, including upstream areas such as the City, to the Delta. Instead, the Recirculated Draft PEIR essentially dismisses these impacts based on its assumption that the implementation of the aforementioned water reliability projects and actions will cause the water supply available to these areas, including upstream areas, to remain the same or increase. (Recirculated Draft PEIR at pp. 3-6 – 3-9.)

The Recirculated Draft PEIR goes on to conclude that the potential water supply impacts to users of water from the Delta watershed will be less than significant, citing the lack of any information indicating otherwise as "substantial evidence" for finding that this potential impact would not be significant. (Id, at p. 3-9.) This improperly avoids the impact analysis mandated by CEQA. In addition, with respect to upstream areas such as the City of Sacramento, the assumption that water suppliers have readily available alternate supplies is factually incorrect, for a number of reasons.

First, with respect to surface water supplies, the City of Sacramento has no alternative to diverting water from the American and Sacramento Rivers. If implementation of a different flow regime to benefit the Delta reduces water available for diversion from the Sacramento and/or American Rivers, the City, and other water purveyors in this region, cannot obtain alternative surface water supplies from sources that do not impact flows into the Delta. This may be a feasible alternative for areas that use water exported *from* the Delta watershed, but in the Sacramento region, surface water diversions from the American and Sacramento Rivers are the region's "local water supplies."

Second, if our region's surface water supplies are reduced by implementation of the Delta Plan, the only alternative water supply that does not directly affect Delta flows is groundwater, and the Recirculated Draft PEIR fails to provide any analysis of the potential impacts resulting from increased use of groundwater. Instead, the document concludes that there would be no significant impact due to the potential increased groundwater pumping resulting from reduced surface water reliability in areas outside of the Delta, because any increased groundwater use would need to operate in accordance with local groundwater management requirements, and the lack of any information indicating otherwise means there is no "substantial evidence" for finding that this potential impact could be significant. (Recirculated Draft PEIR at p. 3-5, 3-8.) This

assumption is an unacceptable substitute for actual analysis of the potential impacts of the increased groundwater pumping that may result from implementation of the Revised Project's proposed flow regime.

The Recirculated Draft PEIR fails to address the impacts associated with requiring increased reliance on groundwater by water users in the Sacramento area, in light of groundwater contamination, conjunctive use, and other factors. The City presently is a valuable source of surface water for others who rely primarily on groundwater, but also require surface water supplies in order to implement conjunctive use and/or mitigate the impact of groundwater contamination. The potential adverse impacts of the Revised Project's reduction of surface water supplies on conjunctive use programs and mitigation of groundwater contamination are not identified or evaluated in the Recirculated Draft PEIR.

Third, with respect to upstream areas, such as the City of Sacramento, there is no factual basis for the Recirculated Draft PEIR's assumption that water supply reductions could be mitigated, in part, by water transfers. (Recirculated Draft PEIR at p. 3-9.) While there is substantial agreement that surface water transfers need to be part of the overall statewide water supply solution, surface water transfers will not increase the water supply available to our region because such transfers generally consist of transferring water out of, rather than into, our region.

Fourth, with respect to water efficiency and water conservation programs, the Recirculated Draft PEIR concludes that water supply reductions in areas outside of the Delta would be offset, in part, by the increased use of recycled wastewater and stormwater. (Recirculated Draft PEIR at p. 3-2, 3-9.) With respect to upstream areas such as the City of Sacramento this conclusion lacks a factual basis, because water supply made available through increased recycling of wastewater and/or stormwater would not provide any increased flows for the Delta. If an increment of wastewater, that otherwise would be discharged at the Sacramento Regional County Sanitation District (SRCSD) treatment plant near Freeport, is instead recycled, there would be no net increase of flows to the Delta, because the reduction in surface water diversion associated with the use of the recycled water would be offset by a corresponding reduction in discharge of treated effluent by SRCSD.

Similarly, if an increment of stormwater runoff collected by the City's storm drain system were recycled instead of being discharged to Sacramento or American Rivers, there would be no net increase of flows to the Delta, because the reduction in surface water diversion associated with the use of this recycled stormwater would be offset by a corresponding reduction in discharge of stormwater to the Sacramento or American Rivers. This is one reason why the City of Sacramento, and others, have repeatedly insisted that any regulation of or imposition of charges on surface water diversion or use upstream of the Delta based on Delta flow impacts must account for return flows. (See, e.g., the City's September 29, 2011 Comments on the Fifth Draft of the Delta Plan.)

Fifth, although such projects in our region generally would not increase flows to the Delta, they likely would have significant environmental impacts, for which the Recirculated Draft PEIR proposes no mitigation. As just one example of such impacts, based on the power usage for treating potable water estimated in the City's comments on the Prior Draft PEIR, as well as the fact that the use of recycled water requires the construction and operation of two separate water distribution systems instead of one, it appears very likely that the construction and long term

operation of the recycled water facilities to provide a water supply in lieu of surface water diversions, as envisioned by the Recirculated Draft PEIR, would increase greenhouse gas emissions in this region.

Finally, the Recirculated Draft PEIR fails to adequately identify or analyze potential impacts resulting from the implementation of Policy WR P1 in the Revised Project. Policy WR P1 states that water shall not be exported from, transferred through, or used in the Delta unless the water supplier has met several requirements, including the requirement to identify, evaluate, and commence implementation of all programs and projects that are locally cost effective and technically feasible that reduce reliance on the Delta. It is not clear whether the reference to the use of water in the Delta is intended to cover water use by a water supplier, such as the City, whose service area includes a portion of the legal Delta. If it is, this requirement foreseeably could lead to increased groundwater use, less effective conjunctive use programs, increased groundwater contamination, and/or could require the construction and operation of new facilities, such as recycled water facilities. As noted previously, the Recirculated Draft DEIR does not provide any meaningful analysis of, or mitigation for, the potential impacts associated with any of these consequences.

Expanded Geographical and Hydrologic Scope

The Recirculated Draft PEIR does not adequately address the scope of the expanded geographical area covered by the Revised Project. The Revised Project includes the entire Delta watershed area, and the Recirculated Draft PEIR implies that all facets of the Delta Plan apply to this larger area. The far-reaching environmental impact of this change is not adequately addressed in the Climate Change and Greenhouse Gas Emissions section (Section 21), the Cumulative Impacts section (Section 22), or any of the individual resource sections of the Recirculated Draft PEIR.

While Section 21 and the individual resource sections state that mitigation of “stormwater treatment” would occur at the project level, the cumulative impacts section does not consider the impact of wide and extensive implementation of stormwater treatment. Specifically, the ongoing operation and maintenance of these facilities would certainly increase pumping and energy consumption and in-turn consume carbon and generate greenhouse gasses and increase other air quality contaminant impacts. While these air and climate change impacts could be mitigated to some degree, the overall impact and the intended scope of the Revised Project should be better described.

An adequate PEIR would assess a range of future conditions under this expanded geographical area to at least provide “bookends” on impacts as well as more clearly state the intended scope of the Revised Project geographical area.

Additionally, in several instances the Recirculated Draft PEIR states that “The Revised Project could lead to more potential changes in the Delta...” which excludes the Delta Watershed; the document should clarify whether these occurrences are specific to only the Delta and are not applicable to the Delta Watershed.

Implementation of “Stormwater Treatment” and “Stormwater Recycling”

The Recirculated Draft PEIR refers several times to “stormwater treatment,” “municipal stormwater treatment facilities,” or “stormwater recycling.” While we understand that the document cannot specifically discuss all potential projects covered by the Recirculated Draft PEIR, the scope of what is intended by “stormwater treatment” and these other terms should be provided. For example, “active” stormwater treatment implies the construction and operation of treatment facilities for targeted pollutant removal, while “passive” stormwater treatment implies less targeted removal using a structural control (e.g., bioswale, detention basin). Non-structural controls refer to maintenance, planning, and outreach programs, which are not necessarily a specific physical structure. Without understanding the scope of “stormwater treatment” it is difficult to adequately characterize the cumulative impact the Revised Project or in the impact on other resources, including the additional impact of greenhouse gas emissions for active treatment facilities.

Stormwater recycling can replenish groundwater aquifers and provide irrigation resources. However, to significantly increase domestic water supply under current regulations these so-called “stormwater recycling” uses would require extensive active treatment, including filtration and disinfection. The term “recycling” implies meeting Title 22 standards for reuse, which would require significant energy use and greenhouse gas generation that is not meaningfully assessed in the Recirculated Draft PEIR, especially given the cumulative effects. In the limited application of such projects in California, it has only been feasible to treat dry weather flows. Low impact development (LID) practices, which make use of infiltration, storage, and use, are more commonly referred to as “rainwater harvesting” or “beneficial stormwater use” and do not require this active treatment. LID is actively implemented by stormwater programs throughout the state.

The Final Delta Plan is more general, discussing stormwater beneficial use and only in one place discussing stormwater treatment: page 114 “Improved information on effective watershed management actions to restore and enhance capacity of rural and urban landscapes to process stormwater for water quality and water supply benefits” under “Science and Information Needs.” This supports the need for further clarification of the term “stormwater treatment.”

Municipal stormwater programs are required to implement controls to reduce the discharge of pollutants to the “maximum extent practicable” (MEP). This MEP standard establishes a reasonable basis for stormwater controls. If the Recirculated Draft PEIR is relying on existing regulatory programs for control of pollutant discharge, it should be so stated. If MEP is not used as the standard for stormwater implementation, the Recirculated Draft PEIR should provide specific examples of what types of projects are anticipated and assess environmental impacts from these projects.

Acknowledge that Existing Conditions and Regulatory Programs are Supportive of Drinking Water Use protection

The Recirculated Draft PEIR and revised project do not adequately state that the Sacramento River water is currently the highest quality water supply for a large portion of California, including local and Southern California users. In fact, this is a primary justification for BDCP proposed diversion projects. Through extensive modeling the Central Valley Drinking Water Policy Workgroup, a stakeholder group that includes water exporters, found that existing Sacramento

River and Delta water quality is of sufficiently high quality. Furthermore future urbanization through 2030 is not expected to degrade conditions sufficiently to require additional water treatment. These results are reported in the Workgroup's Synthesis Report¹, which examined a range of control options and future urban growth in the Delta Watershed. Drinking water supply quality appears to be well protected under current regulatory programs and additional "stormwater treatment" is not necessary beyond these existing programs to protect this beneficial use. Acknowledgement of this finding can better focus potential projects in the Revised Project and their environmental impact to support flow requirements and aquatic life beneficial uses.

Funding Principles and Nexus

The Recirculated Draft PEIR should include a broader discussion in the Funding Principles, to ensure a more comprehensive, watershed-based approach. For example, Section 2.1.8, Funding Principles to Support the Coequal Goals should include the following:

1. The opportunity for local agencies and NGO partners to obtain funding sources such as grant and loans, including support for projects that are required under NPDES permits.
2. Recognizing creative approaches to funding, such as watershed trading and the user funded New York City's Watershed Protection Program.
3. FP R1 (Conduct Current Spending Inventory) should include the extensive efforts, programs, and investments in water quality in the Delta Watershed.
4. FP R2 (Develop Delta Plan Cost Assessment) It is important that cost assessments recognize funding already provided by local governments on the same environmental issues, to ensure that costs are not duplicated and are appropriate.
5. RF R3 (Identify Funding Gaps) should include meeting all funding needs for the Delta and Delta Watershed to meet the co-equal goals, ensuring proper support and resources to meet the expectations for the upstream communities. Revenue that has not been approved and may not be economically viable should not be assumed to be available.

Moreover, the Recirculated Draft PEIR does not address the potential impacts that may arise as a result of the financing Plan (Final Draft Delta Plan, Chapter 8 Funding Principles to Support the Coequal Goals, November 2012). The financing plan ultimately selected may have potentially significant impacts that should be evaluated as part of the decision as to whether the Delta Plan should be approved and implemented. For example, to the extent that the proposed "stressor fees" place a significant fiscal burden on local governments, those agencies may be forced to defer or forego other improvements or programs designed to improve water quality or protect the environment. Based on the funding principles discussed in Section 2.1.8, the City would have to pay any stressor fees from revenues raised through utility rates. These rates are subject to the constitutional constraints on raising revenue set forth in Proposition 218, which allows local governments to include in their rates only the costs of providing a property related service to their ratepayers. It is important for the Recirculated Draft PEIR to discuss legal limitations on

¹ http://www.waterboards.ca.gov/rwqcb5/water_issues/drinking_water_policy/dwp_wrkgrp_synthesis_rpt.pdf

funding sources, including Propositions 218 and 26, as they relate to potential environmental effects.

Section 23 Bay Delta Conservation Plan

The Recirculated Draft PEIR does not adequately characterize the environmental impacts of the BDCP as a reasonably foreseeable future element of the Revised Project. CEQA requires that an EIR evaluate the whole of the action that will be approved, including the reasonably foreseeable indirect physical changes to the environment that will occur from the project. Moreover, the Recirculated Draft PEIR does not adequately discuss how incorporation of the BDCP will affect the scope and impacts of the Delta Plan. The PEIR should provide a full discussion of the BDCP in the project description and evaluate the impacts of the BDCP as part of the project and all alternatives.

The Recirculated Draft PEIR should explain how the regulatory effect of the BDCP will change if it is incorporated into the Delta Plan, including the question of whether provisions of the BDCP will be deemed to constitute "policies" of the Delta Plan with which all covered actions under the Plan will need to demonstrate consistency. If so, then the BDCP's incorporation into the Delta Plan would dramatically expand the scope of both the BDCP and the Delta Plan, converting what was intended to be voluntary participation in a Habitat Conservation Plan (HCP) into a mandatory regulatory program affecting a much wider range of actions within the Delta.

Analysis of Recommendation is Incomplete

Regarding the distinction between the policies and recommendations contained in the Revised Project (the Final Draft Delta Plan), the Recirculated Draft PEIR fails to acknowledge the probability that recommendations will be the basis for future regulatory requirements. In essence, the PEIR assumes that "recommendations" have zero probability of causing regulatory responses and associated impacts. In fact, it is probable that such recommendations, while not directly enforceable, could have a high probability of being treated as regulatory mandates that would lead to environmental impacts. The Recirculated Draft PEIR should address the full range of possibilities regarding the impact of Final Draft Delta Plan recommendations.

ADDITIONAL SPECIFIC COMMENTS

Page 2-3, Lines 24-26. The Recirculated Draft PEIR refers to "improving water quality criteria" for several of the resource sections, including habitat restoration. It is not clear what is intended by this statement and whether it refers specifically to water quality improvements from flow requirements or water quality criteria used for the purpose of protecting beneficial uses and implementation of National Pollutant Discharge Elimination System (NPDES) permits. Because the phrase "water quality criteria" can have specific meaning in these programs, it should be more clearly defined.

Page 2-12, Table 2-2. The Recirculated Draft PEIR table includes an entry "Workshops to Address Stressor Impacts." The description in the table refers to item "ER R7," which is a requirement for hatcheries managing listed species. We request that these workshops be made available to interested Delta and Delta watershed stakeholders, and that this be clarified in the final PEIR.

Page 2-17, Lines 22-23 and Page 2-18, Lines 1-3. Revised Project WQ R3 recommends that the SWRCB and regional water quality control boards enact special protection status to Delta waters when regulating NPDES discharges. While we recognize the critical importance of Delta water quality, enacting such protections without an open, balanced, and scientifically based process may have unintended impacts. In some cases specific controls and regulations can have the benefit of removal of one pollutant, but may have unintended impacts such as increases in other pollutants, or increased energy consumption and greenhouse gases. Moreover, such protections should also give regulatory agencies some flexibility in removing unnecessary regulatory requirements so that any unintended environmental impacts can be better mitigated through practical operation of facilities. The Recirculated Draft PEIR should clarify the specific type of designation, the authority granted to regulatory agencies, and assess the environmental impacts of this new designation status.

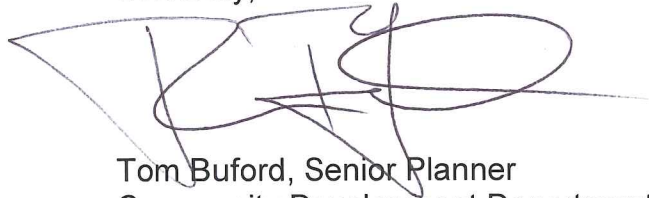
Page 24-3, Lines 31-41. The Recirculated Draft PEIR states that the Revised Project would "...include recommendations to the SWRCB, Department of Water Resources (DWR), and the California Department of Public Health to develop aggressive schedules for the completion of ongoing studies to improve drinking water quality." As stated above, the Central Valley Drinking Water Policy Work Group is nearly complete with their assessment and recommendations for a pathogen related narrative objective. That workgroup found in their "Synthesis Report" that future urbanization in the Central Valley would not increase the net load of drinking water constituents of concern under existing regulatory programs. By requiring further "aggressive" schedules the Revised Project would effectively divert local agency resources in unnecessary activities.

Page 24-15, Section 24.4.4. The section acknowledges the significant increase in the number of projects included in the Revised Project and irreversible environmental changes associated with ongoing operation of the Revised Project. However, as stated in the General Comments, the PEIR should include at least a "bookend" analysis of the energy consumption and greenhouse gas emissions of the cumulative "Revised Project."

Page 3-3, Lines 29-40. The section states that water transfers could influence water quality in the Delta watershed tributaries, but that these influences would be less than significant because they could be mitigated by upstream releases. The section then later (line 40) inconsistently concludes that the potential impacts *are* significant and the revised project increases these significant impacts (line 42). This section seems to conclude that upstream releases can be timed precisely to mitigate any downstream impacts and that the reservoirs would always be capable of such performance. This paragraph and section should be revised to more clearly state the basis for the conclusions and identify the specific significant impacts of the water transfers.

Thank you for your consideration.

Sincerely,

A handwritten signature in purple ink, appearing to read 'Tom Buford', with a large, stylized loop at the end.

Tom Buford, Senior Planner
Community Development Department

Cc: Mayor Johnson and Members of the City Council
Mr. John F. Shirey, City Manager, City of Sacramento
Mr. John Woodling, Northern California Water Alliance
Mr. Stan Dean, Sacramento Regional County Sanitation District
Mr. Gerald Meral, Ph. D., California Resources Agency (BDCP)
Ms. Pamela Creedon, Central Valley Regional Water Quality Control Board